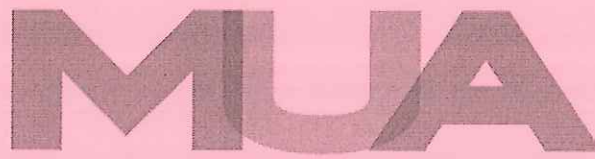


The
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CERTIFICATE UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
CERTIFICATE IN SUPPLY CHAIN MANAGEMENT

CSM 103 : WAREHOUSING AND STOCK CONTROL

DATE: 6th AUGUST 2018

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

AUTOMATION OF WAREHOUSE FUNCTION

One of the nongovernmental organization in Kenya Maisha East Africa abbreviated as KUMEA is an organization performing charitable activities. It started way back in the year 2012. Through the funding that it continues to receive in particular material goods, the NGO has embarked on automating its warehouse. These materials need to be stored, managed and redistributed as per requirement; very efficiently and effectively where warehouse function can play a vital role in adding value to the supply chain. Primarily this focus of the NGO on computerization is now centered among its three central warehouses of Kujenga Maisha East Africa.

The focus for the NGO is increasingly on reducing the operating costs to delighting the customer stocking policy (or physical storage and distribution and warehouse management has a crucial role in helping to deliver this objective. In such set up distribution of goods and handling plays a major role in helping to deliver this objective. At the dispatch point serving the next customer in the chain is critical to providing high customer service levels. Warehousing management is concerned with ensuring that all the activities involved in warehousing are carried out efficiently and effectively by seeking to eliminate wastes from activities that add cost to supply chain while maximizing those areas that add value

Required:

- a) You are required to analyze five challenges that may be encountered as the NGO automates its warehouse branches (10 marks)
- b) Given that the NGOs warehouses are all automated explain how this has impacted on their operations. (10 marks)
- c) In five points, explain how material identification using computer software will enhance customer delight and general warehousing management (10 marks)

QUESTION TWO

- a) Material Requirement Planning (MRP) is a computer based production and inventory control system. Define MRP as used in warehousing (2 marks)
- b) To provide a check list of items that can be used to give the information relating to goods in a warehouse that is computerized (8 marks)

QUESTION THREE

- a) Describe briefly the following terms as used in stock procedure (stock taking)
 - i. Blind Stock Taking (6 marks)
 - ii. Sampling (2 marks)
 - iii. Paper less Systems (2 marks)
- b) Briefly describe how you can enhance security in a warehouse (4 marks)

QUESTION FOUR

Explain the following terms as used in a warehouse

- i. Outstanding Orders (2 marks)
- ii. Unfulfilled Demand (2 marks)
- iii. Lead Time (2 marks)
- iv. Returns to Supplier (2marks)
- Apportionment (2 marks)

QUESTION FIVE

- a) Explain how materials in a warehouse may be classified (5 marks)
- b) Briefly narrate how you can enhance security in a warehouse (5 marks)

QUESTION SIX

- a) Give five reasons for holding stock in a warehouse (5 marks)
- b) Outline four categories of inventory in a storehouse (5 marks)

